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ABSTRACT

The key legislative provisions of the 1982 Job Training Partnership Act, which replaces the Comprehensive Employment and Training Act (CETA) are described and their implications for organized labor are analyzed. Discussion covers anticipated annual funding, authorization period, major programs, funds allocation, program planning and operation, the role of organized labor, the role of business, key program elements, program eligibility, labor opportunities, and program implementation. (LP)

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LABOR OUTLOOK on Jobs & Training

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An analysis of The Job Training Partnership Act of 1982

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SUMMARY OF THE KEY PROVISIONS

JOB TRAINING PARTNERSHIP ACT OF 1982

Prepared by the
AFL-CIO Human Resources Development Institute
October 1982

The new Job Training Partnership Act, enacted with bipartisan support on October 13, 1982, creates a new training system to replace the Comprehensive Employment and Training Act (CETA). The law gives labor organizations many opportunities to help plan and operate training programs in their communities. As the new system is put into place in the next few months, labor should get to know its opportunities and rights under the new law -- and use these opportunities to help shape effective training programs for the unemployed, the disadvantaged, and displaced union members. The analysis below highlights the key provisions of the act from a labor perspective and describes the sections of major concern to unions.

Legislative Provisions	Comments
ANTICIPATED ANNUAL FUNDING For fiscal year 1983, authorization is for "such sums as may be necessary," except for Job Corps, which is authorized at $618 million.	The "such sums" language means that actual funding levels will be decided by the appropriations process. Sources indicate the total for fiscal 1983 could be between $3.2 billion and $3.8 billion. (The latter is approximately CETA's fiscal 1982 allocation level.)
AUTHORIZATION PERIOD Authorization is open-ended with no expiration date.	The open-ended authorization is designed as a signal of permanency to overcome the uncertainties created by CETA's typical two, three, and four-year authorizations.
MAJOR PROGRAMS Adult and youth programs -- Title II-A Summer youth programs -- Title II-B Governors' special programs -- Title I-B Dislocated worker programs -- Title III Job Corps -- Title IV-B Other national programs -- Title IV	The adult, youth and summer programs (Title II-A & B) replace CETA's Title II-BC, IV and VII grants to prime sponsors. The program for dislocated workers is new.

Legislative Provisions

WHERE DOES THE MONEY GO?

Adult and youth programs: Funds will pass through the Governors to "service delivery areas" within each state. These areas will be designated by the Governor with advice from the State Job Training Coordinating Council.

Local governments with 200,000 or more population can automatically qualify for funds, as can consortia of local governments with a combined population of at least 200,000.

Smaller areas may also request designation by the Governor.

Funds are allocated to service delivery areas by formula.

Summer youth programs: Same as above.

Governors' special programs: Funds will go to each Governor by formula.

Dislocated worker program: Most funds will be allocated to the Governors by formula. The Secretary of Labor may use 25% of the funds for discretionary grants to the states.

Each state must provide a one-for-one non-federal match. The match will be reduced in high unemployment states.

Job Corps: Funds will go to operators of Job Corps centers.

Other national programs: The Secretary will make grants to native American and migrant organizations, and to other groups such as public agencies and private non-profit organizations.

WHO PLANS AND OPERATES THE PROGRAM?

Adult and youth programs: In each service delivery area, a majority-business Private Industry Council (PIC) and the local elected official will constitute a "partnership" for the planning and oversight of programs. The PIC and local government will jointly develop a two-year training plan for the area.

Comments

CETA's former "prime sponsors" will be replaced by the newly designated service delivery areas. Unlike CETA, where areas of 100,000 or more population were automatically eligible for direct funding, the Governor will assume an important role in selecting the localities to receive funds.

Labor will sit on the State Job Training Coordinating Council, which will advise the Governor in the selection of service delivery areas.

For the new displaced worker program, the Governors will have discretion over the allocation of funds within their state.

Under CETA, the local elected official had final responsibility for local programs, though certain functions might be delegated to the PIC. The new act requires an equal partnership between them. Their respective roles will be spelled out in a locally-developed agreement between the PIC and local government.

The elected official appoints PIC members, who will include besides business, representatives of organized labor, educational agencies, community-based organizations and a number of specified public agencies. State and local labor organizations may nominate the labor representatives for their PIC.

The law also provides for a public planning process. Copies of the local plan must be given to labor organizations that represent workers with the skills in which training is proposed. The general public must also get a chance to review and comment on the local plan.

The Governor will review the local plan and must approve it unless it fails to meet specific standards. A disapproval may be appealed to the Secretary of Labor.

The PIC and local government will jointly decide who administers the local program. They will also monitor program performance.

Nationally established performance standards will be used in assessing programs. The Governor will monitor the programs in the state and may withdraw approval of a plan if it does not comply with the act. Localities may appeal this to the Secretary of Labor.

Summer youth programs: Same as above.

Governors' programs: The Governor will appoint a State Job Training Coordinating Council to assist in planning, monitoring, and coordinating programs and services in the state. Council members will be one-third from business; and at least 20% each from state organizations, local government, and other segments of the public including organized labor.

Dislocated worker program: The Governor has primary responsibility for the planning and oversight of these activities, and for selecting program operators.

Governors may call on local PICs for planning assistance. In addition, plans must be submitted to the PIC and local government for their comments.

Appropriate unions must be fully consulted when a program will serve "a substantial number of members" of that labor organization. The act specifically authorizes programs conducted in cooperation with labor organizations.

The two-year planning process is intended to promote stability and continuity in local programs.

As a member of the PIC, organized labor will be able to participate in program planning and operations. The public planning process will also afford labor organizations an opportunity to review and comment on plans.

The act recognizes labor's inherent interest in the problems of dislocated workers by providing for full labor consultation on this new program. Labor organizations can also use the PIC to make known their views on the needs of these workers and to encourage the development of programs sponsored or operated by unions.

Legislative Provisions

WHAT IS THE ROLE OF ORGANIZED LABOR?

Labor, as an important training resource in the community, has opportunities under the new act to (1) help plan programs through labor PIC representatives and through the public planning process; (2) review and comment on training proposals in skills they represent; (3) be fully consulted on programs for dislocated union members; (4) operate or sponsor programs funded by the Governor or by the local service delivery area; and (5) submit written concurrence (or objections) on any proposal that would be inconsistent with a collective bargaining agreement.

WHAT IS THE ROLE OF BUSINESS?

Since the PIC, with its business majority, is co-equal with local government in the new system, business can be expected to have a strong voice in the planning and implementation of programs. Many features of the new legislation are designed to encourage business involvement in training, including employment generating activities, youth try-out employment, and especially the partnership role of the PIC with the local government.

WHAT ARE THE KEY PROGRAM ELEMENTS?

Adult and youth programs: A long list of training and related activities will be allowed, all designed to lead to unsubsidized jobs in the private sector. These include on-the-job training, institutional skill training, upgrading, retraining, job search assistance, outreach, needs-based allowances, and many more.

For youth, the act also allows preemployment and entry employment activities, including short-term try-out jobs with private or public employers.

Public service employment is prohibited.

At least 40% of Title II-A funds must be used for youth programs (with adjustments for the proportion of youth in the local population).

Comments

The act recognizes labor's expertise and interest in training matters through the provisions for labor involvement in programs and planning. But the new act is not as strongly worded as CETA on labor's role; nor are its regulations likely to be as specific as to labor's rights and opportunities. So it will be important for concerned labor organizations to maximize the opportunities that do exist to help shape effective programs in their communities.

The new law offers many opportunities for labor to work cooperatively with business on training activities. But while employers certainly play a key role in training, labor will want to assure that the business role in local programs does not overshadow that of the local government. Labor considers elected officials to be uniquely accountable to the public and best qualified to make the final determination on how funds can be of greatest benefit to the community.

The act gives localities considerable flexibility in the types of activities they can establish. However, the limitation on supportive service costs will make it more difficult to serve low-income persons who need allowances in order to participate in training.

Labor will want to assure that the activities selected are ones that will really lead to good jobs. This will mean an emphasis on skills training, avoiding activities such as subsidized try-out employment, which do not tend to result in long-term jobs.

With the emphasis on training in the private sector, unions will have an opportunity to participate in training, and even to serve as program operators.

At least 70% of adult and youth program funds must be spent on training, which can include some work experience costs. Together, supportive services, wages, allowances, and administrative costs are limited to 30% of total costs. Administrative costs alone are limited to 15%. (The 30% limitation may be waived in certain cases.)

Summer youth programs: These may include work experience, training, and other activities and supportive services -- not subject to the 30% limitation on supportive services, wages, allowances, and administration.

Governors' special programs: These cover a variety of activities: education coordination grants, labor market information, training for older workers, performance incentive grants, and a range of coordination and special services activities and training programs.

Dislocated worker programs: A variety of job search and reemployment services will be offered, including training, supportive services, pre-layoff assistance, relocation services, and programs conducted with labor organizations.

The 30% limitation on non-training costs applies, with some restrictions, to the federal share of program funds.

Job Corps: Residential training, related services, allowances, etc., are allowed.

National programs: The Secretary will continue to fund native American and migrant programs. A new veterans employment program is authorized. So are PIC planning grants. Other activities will include multi-state national programs, technical assistance, labor market information, etc.

Legislative Provisions

WHO IS ELIGIBLE?

Adult programs: Individuals must be economically disadvantaged. However, up to 10% of the persons served do not have to be economically disadvantaged if they have other barriers to employment (e.g., older workers, limited English-speaking, etc.).

Youth programs: Persons ages 16 through 21 who are economically disadvantaged qualify for all youth programs, including summer youth programs. In addition, programs may be targeted toward special youth groups, including high school dropouts, graduating high school seniors, and 14 and 15 year olds, as well as others in school.

Dislocated worker programs: Adults are eligible for dislocated worker programs if they have been terminated, laid off, or have received a layoff notice and have limited opportunities for reemployment. Older workers and the long-term unemployed are also eligible.

WHAT LABOR OPPORTUNITIES AND PROTECTIONS ARE INCLUDED IN THE BILL?

The act offers many opportunities for labor involvement in programs: Organized labor is to be represented on State Job Training Coordinating Councils and local Private Industry Councils.

PIC labor representatives are to be nominated by state and local labor organizations or building trades councils.

Labor organizations representing workers having skills in which training is proposed can review and comment on local job training plans and can appeal local plan decisions to the Governor. They are also to be given opportunities to comment on specific training proposals.

Comments

CETA eligibility requirements mandated that adult participants be economically disadvantaged and unemployed or underemployed. Eliminating requirements to be unemployed will undoubtedly increase the number of persons eligible for program services. Allowing up to 10% enrollment of non-disadvantaged persons will permit some persons with above poverty level incomes to receive training and employment services.

Youth program eligibility remains essentially unchanged. However, requirements that at least 40% of all participants served be youth will naturally restrict the number of adults who can be served.

Eligibility requirements for dislocated worker programs are quite broad and will allow workers unemployed as a result of plant closings, obsolete skills, or age barriers to receive employment and training services. Organized labor should take particular advantage of the latitude afforded states in choosing participants for these programs to ensure that their laid-off members are provided with training assistance and job opportunities.

Under CETA, many of the provisions for labor involvement in planning and operating programs were found in the regulations rather than the law itself. It is indicative of their importance that Congress chose to elevate them to the status of law. In doing so, however, some opportunities were weakened, while others were unchanged.

Although the requirements for labor review and comment on plans are essentially unchanged, there are fewer clear requirements for prior labor consultation on specific training proposals.

When training programs are "inconsistent" with collective bargaining agreements, the written concurrence of the union and the employer must be obtained.

At the local level, timely grievance procedures must be established to allow interested parties, including labor unions, to offer complaints about programs and activities.

Labor unions that represent laid-off workers to be served under special state dislocated worker programs must be consulted in the development of those programs. Additionally, programs with labor organizations to provide "early intervention" in the event of plant closures are specifically authorized.

Union-related organizations, as community-based organizations, are to be given "proper consideration" as service providers and are to be given special consideration in the selection of local service deliverers as well as for national "pilot projects."

The bill offers many protections for both participants and regular workers: All participants are to be afforded standard health and safety protections, workers' compensation coverage, as well as the same wages, benefits, and working conditions as similarly employed regular workers.

No regular worker can be displaced by any participant nor can promotional lines be infringed upon.

No participant can be used to replace workers currently on layoff.

No employer can terminate current workers and replace them with participants.

Davis-Bacon wage requirements are applicable on construction-related projects.

Funds cannot be used to assist, promote, or deter union organizing.

Funds cannot be used to assist business relocation if unemployment will increase in the original location.

OJT subsidized payments to private-for-profit employers are to be limited to 50%, except for try-out employment for youth.

Employers who do not hire youth participants after their "try-out" employment are not eligible for further subsidies.

Requirements to obtain concurrence of the collective bargaining agent for training programs with organized employers are less direct and clear under the new law. CETA has required the written concurrence of the appropriate bargaining agent in all such cases. The new law requires concurrence only when the proposal is "inconsistent" with the terms of the bargaining agreement.

The new state dislocated worker programs provide for union involvement in the design of programs affecting their members and specifically give labor an opportunity to operate "early intervention" programs.

Although labor organizations are given the opportunity to review and comment on plans, the timeframe to voice those comments is very limited. Additionally, if certain procedures are not followed, labor organizations could be denied redress in the resolution of their complaints.

As with the labor opportunities discussed above, certain labor protections are being elevated from regulation to law. Generally, the existing standards governing wages, benefits, and working conditions for participants remain unchanged. Prohibitions on worker displacement and business relocation are also consistent with the CETA law.

Fully subsidized try-out employment for youth with public and private employers is still a labor concern but its effects should be somewhat mitigated by restrictions on repeated employer abuse.

Legislative Provisions

HOW WILL THESE NEW PROGRAMS BE PUT INTO EFFECT?

The provisions of CETA remain in effect during FY '83. The remainder of FY '83 until September 30, 1983, is to be used as a year of transition to minimize the disruption of services to participants. During the next several months: new service delivery areas are to be formed; PICs are to be appointed; local elected officials and PICs are to come to agreement on their respective roles and are to prepare and submit a plan for FY '84, which begins October 1, 1983; the Governor and the State Job Training Coordinating Council are to prepare themselves for their roles in reviewing plans, coordinating state and local programs, and initiating dislocated worker programs.

During January through March 1983, regulations are to be developed concerning the establishment of State Job Training Coordinating Councils and PICs, the designation of service delivery areas, and all other aspects of programs under Title II. By August 31, 1983, all local job training plans for FY '84 must be submitted to the Governor.

PICs can receive up to $80,000 for planning purposes in FY '83.

Comments

It is the intent of Congress to ensure the smooth transition from CETA to the new system. The timeframes prescribed are designed to assure sufficient lead time for planning and implementing programs under the new law. Therefore, organized labor should take the opportunities presented during this transition period to ensure that:

- state and central bodies, as well as building trades councils, are given the opportunity to nominate PIC labor representatives;
- labor representatives on PICs have an opportunity to participate in all planning and decision-making;
- local labor unions are provided with their rights to review, comment, and offer concurrence where appropriate on training programs;
- labor standards are formally incorporated into all programs and policies;
- labor unions are given the opportunity to plan and operate programs, particularly those affecting displaced workers.

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